



To: Mayor & Council

From: Passion Hayes, Director of Human Resources

Through: Lea Dunn, City Manager

Re: Implementation Costs for Proposed Compensation Philosophy

Date: June 20, 2014

In addition to the compensation information included in your agenda packet, staff wanted to also provide a more detailed breakdown of the implementation costs for fiscal year 2014-2015 for the proposed compensation philosophy.

For public safety employees (sworn police and fire employees), the financial impact of implementation is \$437,162. This includes a cost of \$123,768 to move 44 employees to the new proposed minimum of the salary range. An example of our current entry annual salary and the new proposed entry salary (which is placed at the average of our comparison cities or the 50% percentile) is listed below. In order to prevent compression, the remaining public safety employees would be placed throughout the range for a total of \$313,394.

**Sample - Police Officer**

Current Entry	Proposed Entry
<b>\$48,006</b>	<b>\$52,807</b>
Current 5-year Average	Proposed 5-year Rate
<b>\$55,453</b>	<b>\$61,218</b>
Current 10-year Average	Proposed 10-year Rate
<b>\$62,317</b>	<b>\$70,928</b>

**Sample -Firefighter/Paramedic**

Current Entry	Proposed Entry
<b>\$47,524</b>	<b>\$52,276</b>
Current 5-year Average	Proposed 5-year Rate
<b>\$54,251</b>	<b>\$60,602</b>
Current 10-year Average	Proposed 10-year Rate
<b>\$61,036</b>	<b>\$65,840</b>

For civilian employees, the total cost will not exceed \$462,981 and we will provide more detailed information as soon as the market comparison for non-sworn employees is finalized.

To maintain and ensure the ongoing maintenance of the proposed compensation philosophy, annual budgeting for compensation would include setting aside 4% each year for market and merit compensation that will be used for ensuring market competitiveness and providing merit increases for successfully performing employees.

If you have any questions, please let us know.